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GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department - Standard Operating Procedures (SOPs) for Health analysis of Industries based on the turnover – Adoption - Orders – Issued.

INDUSTRIES AND COMMERCE (PROG-I) DEPARTMENT

G.O.Rt.No.173

Dated:17/10/2022
Read:

From the Director of Industries, e.file No.INC02-20033/17/2022-AD-FP-DOI.

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ORDER:

The Government of Andhra Pradesh desires to map the existing industries in the State with their turnovers from AP Commercial Taxes Department, to carry out the health analysis of the industries. Accordingly, an online platform has been developed, which will automatically identify industries which have declining trend in terms of turnover Quarter–on-Quarter and the system will automatically generate relevant alerts for initiation of site visits by Industrial Promotion Officer (IPO) or any officer nominated for this purpose.

2. After physical verification of the unit, the IPOs concerned, will submit report duly indicating the reasons and also suggest interventions that are to be implemented for rejuvenation of the industries and submit to Assistant Director (AD)/ Deputy Director (DD) for his /her inputs/ suggestions. The AD/DD concerned after giving their suggestions, will forward it to the General Manager (GM)- District Industries Centre(DIC) for implementing the necessary interventions in coordination with the relevant departments. The District Collector will also be given access for viewing the information for regular review in DIEPC meetings.

3. The application will be rolled out very soon duly providing the logins to all concerned.

4. In view of the above, Government hereby issues orders for adopting the Standard Operation Procedures (SOP) in implementation of the 'Health Analysis' module under Ease of Doing Business, as appended as Annexure1.

5. All the Departments concerned shall adopt the SOPs scrupulously and make all efforts to rejuvenate the industries which are showing decline in turnover, within a time period of not exceeding 3 months, as per the User-Manual. The Director of Industries at the State level and the General Managers(GMs) of DICs at the District level will be the nodal officers for the implementation of this program.

6. All the District Collectors will review this item in the DIEPC meetings and resolve the issues in extending support to progress the Industry.

(P.T.O)

7. The Director of Industries will submit report in regular intervals to Government on the implementation of the program in the State.

8. These orders will come into operation with immediate effect.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R. KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP

To,
The Director of Industries, Govt.of Andhra Pradesh, Mangalagiri
All the Departments of AP Secretariat.
All the Heads of Departments.
All the District Collectors in the State.
All the DIOs of DICs in the State
Copy to:
The E.A to Chief Secretary to Govt, AP Secretariat.
The PS to Spl.CS to Govt &CIP.
Sf/Sc.

//FORWARDED:: BY ORDER//

B. Radhar
SECTION OFFICER

Annexure -I

STANDARD OPERATING PROCEDURES

1. Data Collection and Processing

'Ease of Doing Business (EoDB)' Web App & Mobile App will be used for Health Analysis for all Industrial units in the State by comparing Gross turnover. Gross Turnover details (from AP Commercial Taxes Dept.) of the units will be automatically flown into Industries database on monthly basis. Data processing and analysis will be carried out once in a quarter. Manufacturing and service industry unit's data will be considered for future analysis. Relevant alerts are generated for initiation of site visits by IPO/officer.

2. Visit to the Units with declining trend

IPO/officer from respective DIC to visit the unit shall ascertain and identify the reasons for declining trend, and map them to relevant remedial interventions.

3. Mapping of interventions

Post physical inspection the IPO/officer shall identify the possible interventions required to rejuvenate the units from the 7 category interventions mentioned in the user manual. The intervention could be multiple based on the necessity.

4. Implementation of interventions at DD/AD level (DIC)

Based on the report from IPO/officer, relevant measures such as discussion with bankers in case of delay in facilitating loan from Banks, coordination with other Depts. etc shall be implemented by Asst. Director/ Deputy Director (DIC) concerned and to rejuvenate the industries, which are showing decline in turnover and the entire process should be completed within 3 months.

5. Implementation of interventions at GM-DIC level

Every fortnight, the status of Industries, after implementation of interventions at Asst. Dir./ Dy. Dir. (DIC), is reviewed by GM-DIC and further interventions such as expediting pending payments from Govt. agencies, State/ GoI schemes are implemented, based on requirement. Intervention can be closed at GM-DIC after implementing proper remediations.

If the intervention to be implemented is under the purview of another Govt. Dept., alert (with timelines) is given to the Dept. concerned through GM-DIC.

The progress of health analysis of units shall be reviewed regularly in DIEPC meeting at district level, SLIPC meeting at Head Office and periodical report shall be sent to Govt. of Andhra Pradesh.

R. KARIKAL VALAVEN
SPECIAL CHIEF SECRETARY TO GOVERNMENT & CIP

Training manual for Trend Analysis of Industries based on Turnover

Overview: This training manual presents in brief the overall objectives, contents, tools and approaches on how to analyze the industrial health based on turnover.

Objective: Objective is to identify the reasons and working towards revival of unhealthy industries

Procedure:

- Automatic flow of Turnover & Gross GST details from AP Commercial Taxes Dept. to the **Ease of Doing Business** Module on monthly basis.
- Processing and analysis of the data to be initiated automatically once the database is updated.
- Units with Declining turnover trend for **month on month** or for **particular time period** will be identified and showed **Ease of Doing Business** Module.
- IPO from respective DIC to visit the unit to identify the reasons for declining trend and map them to relevant remedial interventions.
- Based on the visit report from IPO, relevant measures to improve health of the unit such as discussion with bankers in case of delay in release of incentives, facilitating loan from Banks, coordinate other Depts. etc.) may be implemented by Asst. Dir/ Dy.Dir./DIO (DIC) concerned.
- Every fortnight, the status of the Units, after implementation of interventions at Asst. Dir./ Dy. Dir. (DIC), is reviewed by DIO-DIC and further interventions such as expediting pending payments from Govt. agencies, State/ GoI schemes to assist the Units etc. are implemented, based on requirement.
- If the unit is under the purview of another Govt. Dept., alert (with timelines) is given to the Dept. concerned through DIO-DIC.
- Every month, the status of the Units, after implementation of interventions at Asst. Dir./ Dy. Dir./ DIO (DIC), is reviewed at Directorate of Industries and the need for any further action (Eg: facilitating exports, coordination with other states, coordination with other departments in state, GoI Depts./ Ministries) is examined and implemented.

Possible reasons:

Financial Issues

i. Payment Related issues with Govt. Depts./ Agencies – Assistance in TReDS on boarding
ii. For Working Capital/ Term Loan requirement – Facilitate linkage with FIs already in MoU with DoI/ APIIC etc (SIDBI, NSIC, Union Bank of India etc.)
iii. Sensitise about relevant State/ Central Govt. Schemes (Eg: CGTMSE, Mudra, CGTMSE, Stand Up India schemes, NSIC schemes, KVIC schemes etc.)

Market Linkages

i. Improve Demand - Mandate procurement of certain percentage of notified items from MSMEs.
ii. Promote Linkages - Industry Connect Workshops, B2B meetings, registering with NSIC B2B portal etc.
iii. Govt. Schemes - Dovetailing with market assistance schemes of MoMSME. KVIC.

Raw material Availability

i. Formation of Clusters for procurement of raw material (demand aggregation) at low cost.
ii. Schemes - Raw Material Bank scheme of NSIC, Yarn Bank scheme of GoI provides interest free corpus to powerloom clusters.

Inadequate Industrial Infrastructure

i. Identification of infrastructure deficiencies for clusters (ETP, CFC/ Processing Facility etc.)
ii. State Govt. (sectoral policies, MSME Policy)/ Central Govt. schemes (SFURTI, MSECDP, CHCDS, PMKSY) supporting development of Common enabling infrastructure and common facilities.

Management and Governance Issues

i. Capacity building to entrepreneurs on business planning, governance and collective decision making (especially for Clusters).
ii. EDPs by reputed agencies in the sector (Eg: NI-MSME) and industry associations.

Shortage of Skilled labour

i. Identification of existing skill gap Ascertain the extent of Functional Integration with APSSDC for development of courses as per the requirement of Cluster/ Sector.

ii. Development of Training and Incubation Centre for young entrepreneurs, in association with NSIC and Industry bodies.
iii. Tie ups with OEMs for latest trends and provide On Job Training (OJT).

Inefficient Processes/Machinery

i. Tie ups with OEMs for deploying latest trends and imparting technology know-how.
ii. Demand aggregation programme of EESL for replacement of inefficient machinery with efficient machinery.
iii. Awareness and convergence with schemes - QMS, Lean Manufacturing, ZED, TUFS etc. for improving quality of products.
iv. Digital empowerment of MSMEs - 'Digital MSME' scheme to standardise business processes, reduce inventory cost, improve delivery time etc. so as to become globally competitive.

Process Flow

DIO LOGIN

- Mobile App login Page
- Once DIO is logged in , DIO will be able to see below screen
- DIO should click on **Ease of Doing Business** icon to go to pending for assaign and pending for review tasks.
- After clicking on **Ease of Doing Business** Icon, DIO will be able to see below given screen.
- DIO should click on Pending for Assign icon to assign units to IPO for verification.
- After selecting IPO from the Drop-down list, DIO should click on submit and make sure details have been saved successfully.

IPO Login:

- After login in App, IPO will be able to see screen as mentioned as below.
- IPO should click on **Ease of Doing Business** Icon to see pending for review units.
- After clicking on **Ease of Doing Business** Icon, IPO will be able to see below give screen.
- Click on **Pending for review** icon to see units assigned to IPO for verification.
- After clicking on **Pending for review** icon IPO will be able to see below given screen.
- IPO should click on industry details card to enter details and recommendations.
- IPO should enter Mobile number and email ID of entrepreneur.
- IPO should select category of industry like (micro, small, medium, large and mega)
- IPO should select the reason and sub-reason from the given drop-down list based on verification.

- If IPO didn't find any suitable reason, IPO can select **Others** from the drop-down list enter the remarks in given text box.
- IPO should select type of industry like **Manufacturing, Services, Retails & wholesale traders.**
- IPO should enter proper recommendations or inspection details for the revival of Unit.
- IPO should capture selfie within the premises of the unit.
- IPO should select respective authority from drop down list given in forward list
- IPO should click on **forward** button, to forward to respective authority, with clear recommendations/remarks.
- IPO should make sure that verification details have been forwarded to next level authorities successfully.

AD/DD Login:

- After login in App, AD/DD will be able to see screen as mentioned as below.
- AD/DD should click on **Ease of Doing Business** Icon to see pending for review units.
- After clicking on **Ease of Doing Business** Icon, AD/DD will be able to see below given screen.
- Click on **Pending for review** icon to see units assigned to AD/DD for verification.
- After clicking on **Pending for review** icon AD/DD will be able to see below given screen.
- AD/DD should click on industry details card to go through details entered by IPO and to give recommendations.
- AD/DD will go through the reasons/sub-reasons/recommendations given by IPO
- AD/DD will enter necessary remarks and forward it to DIO based on action to be taken.
- AD/DD wil select next level authority from given forward to list and click on forward button
- Unit along with recommendations will be forwarded to DIO.
- AD/DD should make sure details have been forwarded successfully.

DIO Login:

- Once DIO is logged in , DIO will be able to see below screen.
- DIO should click on **Ease of Doing Business** icon to go to pending for assaign and pending for review tasks.
- After clicking on **Ease of Doing Business Icon**, DIO will be able to see below given screen.
- DIO should click on **Pending for review** icon to **review** units to IPO for verification.
- Up on clicking on pending for review DIO will be able to see below given screen.

- Up on clicking on card or Unit , new screen with all details of unit , IPO recommendations, AD/DD recommendations will be opened.
- DIO goes through all the reasons, sub-reasons, IPO recommendations, AD/DD recommendations.
- DIO will give remarks and forward to other departments based on action required to improve the health of the unit.
- Units flow can be ended only if the problem is solved.
- DIO can close the flow by clicking on the Close button.
- SMS alerts will be sent to concerned department official once the unit/task has been assigned.
- Action needs to be closed in 3 months; monthly pending alerts will be department officials and HODs.

Web Application Login

Other Department Logins:

Upon login into Skill Development/any other Department login User will be able to screen as shown below.

Up on clicking on Unit name, User can see below given screen

Collector Login:

- Every District Collector has access to industries Website with Incentives username/Password.
- Collector will be able to see Inspected Units and not inspected units in their login.
- After clicking on inspected units, Collector will be able to see inspected unit full details along with remarks/recommendations given by all authorities inspected till date.
- Collector cannot close or forward the unit or to make any changes.
- Report has been provided to the Collector, in which Collector can monitor status, pending with whom, pending since date.

Report:

DO's.

Open **Ease of Doing Business** window under **Ease of Doing Business** app

- Ensure to capture the selfie with the owner/authorized person within the premises of the unit
- Enter valid contact number & mail id
- Ensure Mfg./Service/retail trade category
- Ensure to contact the owner of the unit
- Mention more relevant reason for decline

- Record clear recommendations (any no. of recommendations no limiting to 1) while submitting
- Forward to only AD/DD

DON'Ts.

- Don't close the record until unit problem is solved
- Don't forget to capture the photo
- Don't use the word sick unit unless issued by competent authority
- Don't just forward without proper recommendation